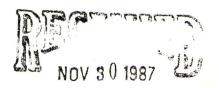
Note: plan is in map file.

November 23 1987

Mr. Lowell P. Braxton
Director of Dept. of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180



CIL, GAS & MINING

Dear Lowell,

The narrative for Form MR-MO Keigley Quarry Act/ is as follows: At Keigley Quarry, mining of any significance started about 1942. Dolomitic limestone is quarried from an open pit by drilling and blasting, then loaded with diesel or electric shovels into 35 ton haulage trucks and hauled to a mill for processing through a series of crushers and screens. The stone is then loaded through the tipple load-out into railroad cars for shipment to Geneva Steel at Orem, Utah where it is consumed in blast furnaces and open hearth furnaces in the steelmaking process.

Mining practices back at that early date were well established, and up to the 1976 Mining Reclamation Act, about 80% of the over burden material had already been removed and many of the problems we face today were already in a state of partial creation. Historically, in the past, the control cutoff for Geneva was 2.5% SI02. This was established when the iron ore pellet SI02 was 8.0%. Currently, the source of pellets contain 3 to 4% SI02. Therefore, material that once was considered overburden can now be consumed and used for products to Geneva. We are currently using approximately 3/4 of material from the overburden dumps, and 1/4 of our material comes from mining in the pits.

Currently, the roads and tops of the disposal areas are covered with 6 to 8 inches of -3/4" reject material which does support some natural occurring plant life (yellow brush). With this material we would intend on placing another 6 to 8 inches of top soil to establish a seed bed.

There are two sources of loamy top soil:

- (1) an area currently under our control by un-patented mining claims noted on the map has top soil 6' to 8' deep.
- (2) Strawberry Canal traverses the property on 3 sides and has a series of Settling Ponds. These are dredged out and silt is available to haul away. These sources should supply us with an abundant close source of Top Soil.

CALCULATING OF RECLAMATION COSTS

Determining that due to slope inside of the Pit where materials can not be placed, 180 acres would be able to be seeded. Calculations are as follows:

180 Acres X 43,500 Cu/Ft. per acre divided by 2 (6') divided by 27 = 145,000 Cubic yards of top soil to be hauled in.

145,000 Cubic yards X \$.75 per Cubic Yard = \$108,750 plus an additional spreading cost of \$35,000.00

Contouring and stabilizing of side slopes with a D-9 Cat is estimated to take 480 hours at \$100.00 per hour = \$48,000.00 Scarifying with a D-9 Cat 130 hours at \$100 an hour = \$13,000.00. Seed Costs are as follows;

Black Sage \$18.00	lb.	2	lbs pe	r acre	\$36.00
Yellow Brush 5.00	lb.	2	lbs pe	r acre	10.00
Cliff Rose 18.00	lb.	2	lbs pe	r acre	36.00
Yellow Clover .65	lb.	2	lbs pe	r acre	1.30

Bunch Wheat Grass 1.85 lb. 5 lb per acre \$9.25

Crested Wheat Grass 1.78 lb. 5 lb per acre 8.90

Alfalfa (Laydak) 1.65 lb. 2 lb per acre 3.30

Using the Seed Mix at 22 lb. per Acre Total Cost \$104.75 per acre \$104.75 per acre times 180 = \$19,000.00 (for seed)

Fertilizer cost at 200 lb per acre at \$10.00 per 100 lb - \$3,600.00

Building removal and disposal would be on site with an estimated removal of \$20,000.00.

TOTAL COST

Top Soil	\$108,750.00
Top Soil Spread	35,000.00
Contouring	48,000.00
Scarifying	13,000.00
Seed mix	19,000.00
Fertilizer	3,600.00
Building Removal	20,000.00
Total Bonding Liability	\$247,350.00

Thank you for your consideration.

Sincerely,

Roy Benson
Area Manager Keigley Quarry
and Ore Mines